

DRAFT



**SCOTTSDALE HOUSING BOARD
One Civic Center 3rd Floor Conference Room
7447 E. Indian School Road, Scottsdale AZ
September 14, 2004
MINUTES**

PRESENT: Barbara Williams, Chair
Robert Southworth, Vice Chair
Del Monte Edwards
Gary Morgan
Tamela Nagy
Joseph Priniski

STAFF: Molly Edwards, Staff Liaison and Housing Resources Manager
Donna Bronski, City Attorney
Mark Bethel, Community Assistance Manager

OTHERS PRESENT FOR ALL OR PORTIONS OF THE MEETING:

Raun Keagy, CNR Director
Connie James, Human Services Director
Judy Register, CNR General Manager
Steve Capobres

CALL TO ORDER

Chair Williams called the regular meeting of the Scottsdale Housing Board to order at 5:00 p.m.

PRESENTATION PROPOSED COMMUNITY DEVELOPMENT AUTHORITY

Chair Williams introduced Steve Capobres explaining that he would provide the Board with information on the proposed Community Development Authority.

Steve Capobres provided an overview of the proposed Community Development Authority program. He explained that this program would promote home ownership in targeted areas.

There was the need to develop a vehicle to get residence more involved. He further explained that non-profits could access more resources than local government.

He discussed possible CDA activities. He also discussed what makes a non-profit affective. He stated that it is important for the CDA to work together with the city and form a strong partnership. He further stated the CDA would look to the City of Scottsdale as a funding source. He discussed other major public funding sources.

He reported that to make the CDA happen Community Service of Arizona is key. He reviewed the development time line. He stated they would be holding a series of planning meetings to develop a strategic plan and business plan. He further stated that we are trying to get as many folks involved as possible. It is important to involve anyone who wants to participate.

Board Member Morgan inquired if CDA would be targeting geographic area or would it be citywide. Mr. Capobres replied we would target an area but they have not defined the area. He stated we would target the area where there is need. He further stated he would imagine they would target southern Scottsdale.

Chair Williams inquired if Mr. Capobres had a role envisioned for the Housing Board in this process. She noted that there maybe a conflict with the Housing Board participating since they make decisions on funding. Mr. Capobres replied that there would be a conflict with the Housing Board participating in CDA because we would be competing for City funds. He stated that he felt the Board's role could be to educate the community and help them gain community support.

Mr. Keagy inquired if the CDA would be competing with the City's existing housing rehabilitation program for the same pot of money. Mr. Capobres replied in the negative, explaining we do not want to compete with the City. This program would be doing more minor staff with the intent to fill the needed gap between minor and major.

Chair Williams inquired about Mr. Capobres ongoing involvement with CDA. Mr. Capobres replied that he intended to be on the Board.

Chair Williams commended Mr. Capobres for his efforts. She noted he has gotten a lot done in a short time.

Board Member Morgan inquired if the Board could participate in the development of this program. Ms. Bronski replied that she would check into the statutes and get back to the Board.

Mr. Capobres reported that the first meeting would be held on September 30th with subsequent meetings every three weeks.

APPROVAL OF MINUTES

Ms. Edwards requested a correction to the June 8, 2004 minutes. On page 3, in the heading for the discussion, City Charter Sec. 2-33 should be changed to City Code Sec. 2-333. First sentence Sec. 2-33 should be changed to Sec. 2-333.

Board Member Morgan stated on Page 5, last paragraph, second to last sentence reads: "Section (a) that reads: "housing grant applications" there is the understanding that does not include CDBG". He stated he did not think that understanding was reached and is not a correct statement.

He further stated at the last meeting there were several comments that staff made that relate to a larger issue as to what their duties and responsibilities are. Chair Williams stated the Board will continue that discussion later in the agenda but that discussion is not part of the minutes unless he felt there is an incorrect statement that should be amended.

Board Member Morgan stated on page 3 reads: "Board Member Morgan remarked the way the meetings are structured does not allow Board members' the opportunity to bring up items for the next agenda. Board Member Nagy pointed out that agenda item No. 9 is Future Agenda Items. Ms. Edwards explained that item has been on every agenda and was not just added." He further stated that he went back and looked at all of the Board's agendas he had and only two contained Future Agenda Items. He remarked that it is important that all Board members' have the opportunity to suggest future agenda items. Chair Williams inquired if he was saying that something that needs to be changed. Board Member Morgan replied that he is saying the information that was presented is not accurate information because Future Agenda Items was not on every agenda. Board Member Nagy replied that is what was said. She noted that Future Agenda Items is included on this agenda as well. Ms. Edwards stated that she remembers that discussion and Future Agenda Items was added to the amended agenda that was just handed out. Ms. Edwards assured the Board that she would make sure Future Agenda Items is on every agenda.

Board member Nagy made a motion to approve the minutes of the June 8, 2004 meeting as amended. Board member Southworth seconded the motion and passed unanimously.

Chair Williams stated that Board Member Morgan did call her regarding these issues and so she worked with staff to get these topics on the agenda.

UPDATE FROM COMMUNITY ASSISTANCE OFFICE

Mr. Bethel discussed upcoming funding year (CDBG, HOME applications). He reported on the estimated funding allocation for the City of Scottsdale for the FY 2005/2006 is \$1,381,000, noting that is an \$8,000 decrease from previous years. He explained that formula used is based on information obtained from the census and population estimates are one of the large factors in determining allocations. Board Member Edwards inquired if that indicates Scottsdale is losing

population. Mr. Bethel replied it indicates that the Valley is growing and other cities are growing faster.

Mr. Bethel explained at the Human Services Retreat the group discussed the CDBG, HOME funding process as it has occurred over the last few years with the Housing Board reviewing the housing related applications and presenting their recommendation to the Human Services Commission. The Human Services Commission came to the realization that they are responsible to make 100 percent of the recommendations to the City Council as per their Bylaws. If you look at the dollar amounts, they only hear 30 percent of the money that was requested and did not hear 70 percent of the money that was requested. About \$1.4 million of the CDBG, HOME, funds are for housing related activities.

Chair Williams inquired if it is the wish of the Human Services Commission to hear the housing related proposals. Mr. Bethel replied in the affirmative.

Ms. James explained that under the Human Services Rules, Regulations, Powers and Duties stated that they make recommendations to the City Council on funding applications for CDBG, HOME applications. Those duties are also included in the City Procurement Code. She stated the Human Service Commission would like to hear all of the applications because it is their responsibility to present recommendations to the City Council.

Board Member Edwards stated at the last meeting he inquired about the role of the Board going in the future. He inquired if they do have a role. Mr. Bethel stated it has historically been the role of the Housing Board to advise the City Council on Section 8 Programs but there has been legislative changes in the ordinance that give City Council direct oversight of the Section 8 Program. The Quality Housing and Work Responsibility Act of 1998 (QHWRA) reinforced HUD's position that the Scottsdale City Council is the "Governing Board". He further stated that the City Council depends upon the Board's advise regarding the Section 8 Program as well as the Board having the ability to present program implementations and solicit public input. He remarked that he does not see that role leaving or changing.

Mr. Bethel reported there is an upcoming meeting of the Human Services Commission on September 23, 2004, 5:00 PM that the Housing Board has been invited to discuss the Housing Board's role in this process.

Chair Williams explained that when the Housing Board was moved to Neighborhood Services Department the application process was changed but the change was not reflected in the Human Services Commission Bylaws. She reported that the Board needs to look at ways to work with the Human Services Commission. The other option is to reinvent them.

Chair Williams inquired if there is a quorum of the Housing Board at the Human Services Commission meeting if it needs to be posted. Ms. Bronski stated the meeting could be a joint meeting to discuss how they will work together in the future.

Board Member Morgan requested clarification regarding whether the Human Services Commission's powers and duties state they have jurisdiction over this process. Ms. James explained that the Human Services Commissions bylaws under Rules and Regulations and in the City Procurement Code provide them that authority. She further explained both the Rules and Regulations and the Procurement Code are approved by the City Council.

Ms. James explained that the Human Services Commission takes a comprehensive look at all of the social services issue and housing is an important part and they want to hear all of the applications to hear how all of the pieces fit together. She stated it is good to have dialogue with the Housing Board because of your expertise.

Board Member Morgan inquired if the Human Services Commission has voted on taking back the review of the housing proposals. Ms. James replied they have not voted that it was discussed at their retreat. She stated the Commission has invited the Board to the September 23rd meeting to discuss this issue.

Chair Williams reminded the Board that at the last retreat their goals and objectives were related to policy making rather than funding.

Chair Williams encouraged all of the Board Members' to attend the meeting on September 23rd to share ideas on how to approach this issue. Ms. James reported staff would re-post this as a joint meeting.

Mr. Bethel presented an update on the consolidated plan. He reviewed the Consolidated Plan timeline calling their attention to the Housing Board public meeting on November 9, 2004.

Chair Williams suggested that the Board discuss the Consolidated Plan at the next meeting and give input.

DISCUSSION ABOUT BOARD OFFICERS

Chair Williams suggested that the Board change the Bylaws to hold the election of the Board officers in June and the new officers would take over in July. She explained with the election held in October it does not follow the fiscal year so there is a change of officers in the middle of projects. She stated with regard to this year the Board would elect new officers in October and hopefully by June the Bylaws would be changed allowing them to elect officers in June taking office in July. She further stated that because the Board does not meet in July and August the new officers could meet with staff and come up with a proposed program.

Board Member Morgan stated that he would take exception that this item was placed on the revised agenda that the Board just received at the beginning of the meeting not allowing sufficient time to evaluate it.

Board Member Nagy commented that the proposed changes make perfect sense.

Ms. Bronski reported the change would be effective in June so the officers' elected this October will serve a short term.

Board Member Edwards moved to accept the change. Second by Board Member Priniski and passed unanimously.

BOARD DISCUSSION REGARDING AMENDING CITY CHARTER SEC. 2-333

Ms. Bronski passed out draft language that she put together incorporating all the comments from the last meeting. She passed out the draft language as follows:

Sec. 2-333. Purpose; powers and duties

The Scottsdale Housing Board shall review current conditions and make recommendations to the City Council regarding goals for the mix and affordability of housing stock in the city of Scottsdale. The board will advise the city council on all housing issues, including but not limited to the following matters:

- (a) housing grant applications;
- (b) diversifying the housing stock in Scottsdale;
- (c) funding strategies for housing programs;
- (d) barriers to housing affordability and identified strategies to address any such barriers;
- (e) creative opportunities to encourage private sector investments; and
- (f) Gather public input and provide public education on housing-related issues.

Chair Williams inquired what the time line is to get this done. Ms. Bronski stated that Bylaw changes have to be approved by the City Council and it takes about two months to get on a Council agenda.

Board Member Morgan stated that there is not mention of the Section 8 Program in the purpose, powers, and duties. Board Member Nagy stated this is a result of everything that was discussed at the June meeting. Board Member Edwards remarked at the June meeting the Board consolidated the list to have something precise. Chair Williams stated the ordinance change says that they City Council has direct oversight of the Section 8 program. Mr. Bethel reiterated the broad definition gives the ability to have the Housing Board as a place to present program implementations and solicit public input.

Chair Williams suggested amending the sentence that reads: "The board will advise the city council on all housing issues, including but not limited to the following matters": to read as follows: "The board will advise the city council and other city entities on all housing issues, including but not limited to the following matters":

Board Member Nagy stated at the June meeting the Board discussed that the original purpose of the Housing Board was to oversee the Section 8 program but the legislative changes have given that authority to the City Council.

Board Member Priniski moved to accept the changes to City Code Section 2-333. Second by Board Member Nagy. The motion passed by a vote of five (5) to one (1) with Board Member Morgan dissenting.

Chair Williams requested staff takes the necessary steps to get this on a Council agenda.

DISCUSSION ABOUT NEXT YEARS SCHEDULE

Ms. Edwards requested the Board discuss the agenda for the retreat. When they would like to hold the retreat, topics they would like to discuss. She suggested holding the retreat in the HR Pinnacle Room. The retreat date was set on Friday, October 22, 2004 from 12:00 to 4:00 PM.

Chair Williams suggested they review last years goals and objectives to build on that. She also suggested review of the finished material that was prepared by the Consultant.

Board Member Priniski suggested starting the meeting with a review of what the Board has accomplished which will set the tone for where we are going.

CHAIR'S REPORT

Mr. Bethel invited the Board to the Family self-sufficiency graduation in October. He reported there are six graduates. Board Member Priniski stated it is worthwhile to attend.

Chair Williams provided information on the upcoming Affordable housing seminars.

Chair Williams requested Board discussion about future agenda items.

Board Member Morgan stated it is important to discuss the Consultant Report at the retreat.

Board Member Morgan stated that he noticed in the Minnizona area there are 12 units that were burned out and inquired if city staff would be involved with the development. Mr. Bethel replied the city would not because it is privately owned.

Board Member Morgan stated that perhaps the Board could look at the Bellevue area as a possible signature project. He suggested looking at techniques involving the car dealerships on McDowell Road to help come up with money. Chair Williams stated that issued could be discussed at the retreat under the redevelopment umbrella. She suggested the Board look at the Redevelopment agreement. Ms. Edwards suggested that since the Board has a lot on the retreat agenda that they discuss Bellevue and the Redevelopment map at the October meeting.

ADJOURNMENT

A motion was made by Board Member Edwards to adjourn the meeting. Board Member Priniski seconded the motion. The regular meeting of the Scottsdale Housing Board was adjourned at 8:00 p.m.

Respectfully Submitted,

"For the Record" Court Reporters